

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7313
ANSWERED ON:12.05.2000
CLOSELY HELD COMPANIES
C.P. RADHAKRISHNAN

Will the Minister of FINANCE be pleased to state:

- (a) The number of non-banking financial companies including Residuary non-Banking Companies which are closely-held companies together with their names and their gross annual turnover ;
- (b) Whether some of these institutions are highly cash-rich companies having public deposits worth several thousand crore from small class depositors;
- (c) if so, the reasons for their enjoying the status of closely-held companies; and
- (d) The constraints, legal or administrative, to open up these companies for full participation of the public by issue of public equities?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

- (a) & (b) : Reserve Bank of India (RBI) have reported that their data reporting system does not generate information on closely held NBFCs including Residuary Non-Banking Companies (RNBCs),
- (c) & (d) : Reserve Bank has not issued any guidelines relating to holding pattern of the capital of such companies. The decision whether to go for public offer or not is left to the discretion of the promoters subject to applicability of statutory provisions.